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POETRY.

THE FLOWERS.

(Translated from the French.)

With each expanding flower we find
Some pleasing sentiment combin'd:
Love, in the Myrtle's bloom is seen,
Remembrance to the Violet clings,
Peace brightens in the Olive's green,
Hope from the half-closed Iris springs;
And Victory on the Laurel glows,
And Woman blushes on the Rose.

COMMUNICATED.

MEXICO.

Report on its Finances under the Spanish Government, since its independence, and prospects of their improvement under the Presidency of His Excellency Don Antonio Lopez de Santa Anna; with calculations of the Public Debt—Foreign and Domestic—Average of Estimates, Revenue and Expenditure; to which are added Tables illustrative of its Commercial, Manufacturing, and prohibitive policy, and Remarks on Colonization;—the whole intended for the information of Merchants, Emigrants, and the holders of Mexican Bonds.

By ROBERT CRICHTON WYLLIE.

(Continued.)

Let attention be given to the details of the table marked No. 5, in the Appendix, kindly handed me by a friend here, and to the long and minute calculations and observations thereto annexed, illustrative of the effect upon the revenue, general industry and agriculture of the country, of so many *exotic* manufactories, already erected and in progress of erection, as that table exhibits.

If the calculations be correct, and they appear to be founded on data given officially by Don Mariano Galvez, Secretary to the General Direction of National Industry, the deductions from them can hardly fail to be correct also, and the misapplication of so much capital and labour, is grievously to be deplored.

It will be seen that the annual loss of revenue to the Treasury, arising from the prohibitions enacted to protect those manufactures, is calculated to amount yearly, at the very lowest, to \$4,000,000. But in that calculation, no allowance was made for the duty imposed on every native spindle, as before mentioned. That duty was $\frac{1}{3}$ of one rial monthly, but as the manufacturers complained, Santa Anna, by decree of 11th July, 1842, reduced it to $\frac{1}{4}$ of a rial. One eighth of a rial monthly, on 131,280 spindles, leaves a revenue of \$196,920, which being deducted from the \$1,000,000 stated as loss, reduces that loss to \$3,803,080, which would, alone, pay 5 per cent interest on a national debt of \$76,061,600.

How the government, under the pressure of a want of means to carry on the administration and support the credit of the nation, at home and abroad, came to consent to such a sacrifice of revenue, I am the more at a loss to know, that I do not find such a course recommended by any of the ministers of Finance, to whose memorias I have had access. On the contrary, from the first commencement of prohibitions they have all taken care to point out the loss thereby sustained to the revenue, and when relaxations of prohibitions were made, to calculate how much the treasury had benefitted by those relaxations. This is a point of so much importance, that I will give a few illustrations.

Referring to note 5th to table C, it will be found that Don Rafael Mangino characterized the prohibitive system, as one counteracting the increase of the revenue, and promoting contraband, without yielding any benefit to national industry; and that in the memoria of Don Jose Maria Bocanegra of 1833, Don Manuel Payno y Bustamante had calculated, that by the relaxation of prohibitions, the treasury had benefitted to the extent of

\$1,731,613-6 rials,

during the years 1831 and 1832, all which am't received would have been so much loss, without doing any good to national industry, if the relaxations had not been made.

for in that case the prohibited goods would have entered by contraband.

In the memoria of 1835, by Don Jose Mariano Blasco, at foot of table No. 6, is given an explanation nearly in the same terms, of how, by the relaxations referred to, the treasury had gained

1,565,340-7-2 $\frac{1}{2}$

also, without any loss to individual industry, as the same goods would have been supplied by the Contrabandists, if the relaxations of duties had not taken place.

There are many other luminous and sound allusions to the same subject, all of which seem to have been lost sight of when the policy of national manufactures, forced and fostered by prohibitions, became adopted in this country.

From what I have before said upon the subject of contraband, as an evil existing in spite of the government, both before the independence and since that period, I do not see how the present prohibitive system can fail to give it a fresh impulse, for the difference between the prices current here, for coarse Cottons, Cotton Thread, Hardware, &c., and the cost at which they can be imported from Europe, is exactly the premium which it holds out to smuggle the latter. That this premium is a high one will be understood when I mention that coarse Cottons, called here "*mantas*", which can be made in England at about 4d a yard, sell here for 16d, and that the difference on thread is in proportion.

For these reasons, it appears to me the total prohibition of such goods will yield a less protection to the manufacturer than their allowed introduction under a differential duty on such goods, so calculated as without entirely excluding the foreign manufacturer, to place the native on somewhat better ground. In fact, a plan of this kind was tried in 1837. By a decree dated 22d May, that year, a duty of 4 cent. on each square *rara* of foreign coarse Cottons, was imposed and levied on such goods when cleared for the interior, the express object of the decree being to enable the manufactures made in the country, to compete with those of foreign make; this duty of 4 cent. produced in 1839 \$27,052-4-1: it only lasted until such goods could be introduced legally, and never appears to have been well collected. Yet I have been assured by the manufacturers themselves, that they made more money *then*, than they do *now*, that the prohibitions are absolute.

That this should be so, is not so strange as may appear at first sight. Goods of *licit* introduction, when smuggled, are introduced through the concealment and connivance of the government custom house officers, who of course require a large bribe, the amount of which added to the prime cost and charges, and the portion of duties paid, augments the price at which the importer must sell those goods. With goods *wholly prohibited*, again, the case is otherwise; they attract more attention from the notoriety of their prohibition, and the difficulty of passing them through the custom-houses is so much greater, that the importer is generally forced to run all risks of their introduction, by ports, bays, or points along the coast, little known, little frequented, and consequently beyond the range of the custom house guards. Thus we frequently hear of bales of raw cotton, cotton thread, and cotton cloth, being seized, in places quite out of the way of transit from the regular ports of entry; and it is commonly understood that for every bale that is seized, two or three escape.* We hear also of these goods being confiscated and burnt, as the law requires; but it is generally suspected that the captors only so deal with a small portion of the goods so seized, for the sake of appearance, and that they are either bribed to allow the rest to pass, or they pass them on their own account, and afterwards sell them at whatever they will bring. I do not say that this is the case, for I know of no well ascertained instance of the kind; I only relate what I have often heard, and it is certainly difficult upon any other supposition to account for the remarkable fact, before stated, that the native manufacturers are now worse

* Since writing the above, I have been assured that a much larger proportion of the goods seized, are in one way or other thrown upon the market.

off than they were when the duties were only what may be called protective.

Furthermore, it has been alleged, and in some quarters believed, that the owners of native manufactories have largely imported from abroad, goods of the class they make, under their own mark or brand.—I know of one instance where this accusation has been made, as I believe, without any other foundation than the superior quality and quantity of the goods made, owing to superior management; but that such a thing may be done, and that either high differential duties, or total prohibitions, are likely to produce it, is self-evident.

All over the country you find in the shops, scissors, razors and knives, bearing Sheffield marks and names, though evidently of German make, and not unfrequently fixed on German cards.

In short, the line of coast by which prohibited goods may be introduced, is so extended,—the inducement to do so is so great,—the means to corrupt those who meet the goods so ample, and their corruptibility so great,—as proved by all past experience, that I cannot help looking upon the whole system of prohibitions, however well intended by the Government, as one tending to defeat its professed object, by keeping alive and nourishing the monster evil of contraband, without in any way benefitting national industry; and in support of this opinion, I could quote more Mexican authorities.

PROBABLE FUTURE FINANCIAL CONDITION OF MEXICO.—Upon this subject, I think the importance of a strong, stable and enlightened government cannot be over-rated; nor with that view is it possible to estimate too highly the importance of the almost unanimous election to the next constitutional Presidency, which has taken place, in the person of His Excellency Don Antonio Lopez de Santa Anna. My previous chapters make frequent allusions to the reforms he has made, and others of which he has laid the foundation, and though what he may achieve is not to be judged of, without due consideration for the great difficulties with which he is beset, scarcely known in any other country, and to which I have faintly alluded in my notes to tables A and B, I think great and beneficial changes may be expected during the four years of his Presidency, if assisted by good and able ministers, and if the new Chambers do not disappoint the hopes from their improved Constitution, to which I have already referred.

Like all men of his eminence, he has his friends and his foes, and some of the latter are very bitter ones, but I have as yet found no one who could point out any other capable of supplying his place, without great detriment to the peace and other vital interests of this Republic. This superiority which he maintains in a revolutionary country, abounding in rival chiefs and aspirants to power, is in itself a proof that he possesses qualities for command not possessed by others.

He has been represented as the tyrant and oppressor of his country, yet for nearly two years he has governed this republic, without shedding the blood of any political rival, without any one act of cruelty, and with a forbearance and moderation rarely found among those who have ruled with similar powers, in similar circumstances.

He has also been accused of ambition in aspiring to render his power absolute and permanent. Had it been so, he had a devoted army, at his command, and the road was clear to absolutism. He has preferred republican institutions, and I hope the conduct of the Chambers about to assemble, will prove that he was right in that preference.

The news has just arrived (7th December) that the Yucatan have agreed to submit to Mexico, on the liberal terms offered by the government, and the same is only wanting on the part of Texas to enable Santa Anna to make those reductions in the standing force of the army, indispensable to the finances and credit of the country.

I have before stated at page 19 that Don Antonio Garay calculated that \$12,000,000, yearly, would amply suffice for all the expences of the nation, were the army reduced to a proper peace establishment.

But I now add from the "*memoria*" of Señor Canseco, for 1841—the last that has been published—a translation of a document, of the very highest importance, which is a

report of the sum annually required to pay all the common expences of the government, calculated by the committee appointed to analyse and inspect the estimates for 1840.

Supreme Conservative Power,	30,000	
Legislative Power—including offices, and those of the Comptroller General. Executive power with its Ministers, upon the present footing, and not that which was consulted with the Committee for the Ministries of the Exterior and Interior, including the Council, the Secretary, the general Archive, and the Comptrollership of " <i>Propios</i> ."	550,480	
The Supreme Court of Justice,	79,300	669,780
Diplomatic Department, Legations and Consulates, Commissioners for settling limits with the U. S., &c.	111,000	
	29,000	140,000
Treasury Department—general treasury, general store-houses, general direction of revenues, chiefs of the Treasury and of its departments, Retired officers, employed and not employed, and those superannuated, Pensions of " <i>Montepio</i> ,"	251,788 6	
	174,242	
	160,554	587,264 6
Judicial Department—Salaries of Magistrates of Departments, Judges and their subalterns,		1,270,373
Political Department—Governors, their Secretaries, Departmental " <i>Juntas</i> ," their Secretaries, Prefects, their Secretaries and sub-prefects,		847,467
Ecclesiastical Department—Bishops of Sonora and Yucatan, Missions,	15,200	
	31,930	47,130
Department of Instruction, beneficence, correction, &c. 13,000—Museum 5,500—Conservatory of Chapultepec and Prof. of Botany, Assignments to the College of St. John of Letran San Ildefonso and the Holy Spirit of Puebla,		20,000
Salaries of the Professors of the University of Mexico,	7,613	
School of Surgery, Salaries of the Professors of the Medical College,	1,500	
	10,800	
Salaries and expences of the Director of Medical Sciences,	2,160	
Salaries of employes and works for draining the Lakes,	17,536	
Hospitals, Prisons and " <i>Presidios</i> " (military barracks,)	180,000	260,400
" <i>Empleos</i> " unattached—Warden of the Palace 420, Architect 200, Chaplain 600, 2 Porters 1,200, and Gardener 1000,		3,620
Interests and Pensions—Interest of the Colligate of our lady of Guadalupe,	26,391 4 9	
Civil Pensions,	70,178	96,569 4 9
Petty Expences—for offices, stationery, printing, &c.		67,596 5 3